

Agency 22 - Department Of Insurance

Statutory Authority:

The Department of Insurance was created by Article 12, Section 1, of the Constitution of the State of Nebraska. The Department's general powers are granted by State Statute Section 44-101.01 R.R.S. 1943. The Department's duties and responsibilities are defined in State Statute Chapters 8, 11, 21, 44, 48, 59, 77, 81, and 84.

Vision Statement:

Mission Statement:

To safeguard those affected by the business of insurance through the fulfillment of our statutory obligations and by promoting the fair and just treatment of all parties to insurance transactions.

Goals:

1. Improve and enhance services and protection provided to Nebraska insurance consumers.
 2. Maximize efficiency and effectiveness of the Department's operations and delivery of services.
- Objective 1-1: Continue to improve financial solvency regulations by maintaining accreditation of the Department by the National Association of Insurance Commissioners.
- Objective 1-2: Increase the visibility of the Department through 1) increased participation in outreach activities, such as public appearances, public service announcements, and informational brochures and workshops, 2) and increased coverage of insurance related matters through the Department's newsletter, local newspapers, and other media.
- Objective 2-1: Increase the level and quality of communications and accountability at all levels within the Department by 1) reviewing, on semi-annual basis, the status of the goals that each division has developed through division reports and meetings, 2) reviewing and possibly redefining, as necessary, each division's goals on an annual basis, and 3) identifying areas for improved communications through monthly Administrator staff meetings.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	5,449,033	6,460,295	6,440,347	6,681,062	6,621,969	7,109,028
Federal Fund	217,123	262,844	262,844	265,749	262,844	268,775
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	5,666,156	6,723,139	6,703,191	6,946,811	6,884,813	7,377,803

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Program 068 - Medical Professional Liability

Program Objectives:

1. Implementation of the provisions of the Hospital Medical Liability Act including the Excess Liability Fund and Residual Malpractice Authority. This includes qualification of health care providers, collection of surcharges, and the disposal of claims.
2. Develop monthly claim payment summaries and quarterly reports that monitor claim payments, defense costs, and reserve development.
3. Utilize periodic reports allowing the Administration to monitor qualification activities, surcharge collections, expenditures, interest earned, and the ending balance.
4. Maintain an increased frequency of field contacts on claims involving qualified health care providers.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	133,750	143,647	142,783	149,302	142,835	156,047
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	133,750	143,647	142,783	149,302	142,835	156,047

Performance Measures:

Description	FY00 Actual	FY01 Current	FY02 Request	FY03 Request
Field contacts	28	28	28	28

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Program 069 - Enforcement Of Standards - Insurance

Program Objectives:

01-1 Institute procedures in the Examination Division necessary to maintain National Association of Insurance Commisioner's (NAIC) accreditation. The NAIC conducts an on-site review every five years and interim annual desk reviews. New requirements will be reviewed annually and new procedures instituted as necessary.

01-2 Insure that the Department can meet Examiner Handbook requirements by having at least 40% of the examiners certified to hold the Certified Financial Examiner (CFE) designation and a total of 95% of the examination staff hold the appropriate Accredited Financial Examiner (AFE) or CFE designation. The Department will encourage all examiners to pursue these designations.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	5,315,283	6,306,637	6,287,564	6,521,760	6,469,134	6,942,981
Federal Fund	217,123	262,844	262,844	265,749	262,844	268,775
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	5,532,406	6,569,481	6,550,408	6,787,509	6,731,978	7,211,756

Performance Measures:

01-1 In FY99 and FY00, the Examination Division completed the Interim Annual Review documents and maintained its accreditation status for both years.

01-6 Continued analysis, on an individual basis, of the effectiveness and efficiency of new and existing tools. The NAIC is making available a new electronic examination and analysis management system called TeamMate 2000. During FY2001 we will evaluate this system to see if the efficiency and timeliness of the financial statement analysis can be improved.

07-2 Because of changes in the reconciliation methods and changes in the methods used to enter data into NIIMS, the distribution of the Premium tax was completed one week before the statutory deadline. In past years, the distribution was done after the deadline date or done at the deadline date.

Description	FY00 Actual	FY01 Current	FY02 Request	FY03 Request
01-2 % of Examiners hloing CFE	62	40	40	40
01-2 % of Examiners holding AFE or CFE	69	95	95	95
01-3 % of staff meeting educ requirement	100	100	100	100
01-4 % of exams conducted per schedule	46	75	85	95
01-5 % of Quick Reviews done in 10 days	100	100	100	100
01-5 % of Annual Reviews per schedule	97	100	100	100
01-5 % of Annual Reviews done by Aug. 1	100	100	100	100
01-5 % Qrtly Reviews done per schedule	79	100	100	100
01-7 # of Pre-need exams completed	23	25	25	25
01-8 % of priority exams completed	100	100	100	100

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Program 556 - Liquidation Of Insurance Companies

Program Objectives:

The purpose of this program is to provide funding for activities associated with conservatorship or liquidation of troubled insurance companies. This program's appropriation is restricted and can only be expended to allow the Department to undertake and maintain corrective action. The number of actions requiring expenditures under this program vary widely from year to year.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	0	10,011	10,000	10,000	10,000	10,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	0	10,011	10,000	10,000	10,000	10,000

Performance Measures: